

Exhibit E Additional Provisions

In the event of a conflict between the provisions of Exhibit C or Exhibit D(F) and Exhibit E, Additional Provisions, the provisions of Exhibit E, Additional Provisions shall govern.

The use of headings or titles throughout this exhibit is for convenience only and shall not be used to interpret or govern the meaning of any specific provision.

1. Additional Incorporated Exhibits

The following additional exhibit is attached, incorporated herein, and made part hereof by this reference: Exhibit H, entitled Technical Application, XX pages.

2. Contract Amendments

Should either party, during the term of this agreement, desire a change or amendment to the terms of this Agreement, such changes or amendments shall be proposed in writing to the other party, who will respond in writing as to whether the proposed changes/amendments are accepted or rejected. If accepted and after negotiations are concluded, the agreed upon changes shall be made through the State's official agreement amendment process. No amendment will be considered binding on either party until it is formally approved by the State.

3. Cancellation/Termination

- A. This agreement may be canceled by DHS without cause upon 30 calendar days advance written notice to the Contractor.
- B. DHS reserves the right to cancel or terminate this agreement immediately for cause.
- C. The term "for cause" shall mean that the Contractor fails to meet the terms, conditions, and/or responsibilities of this agreement.
- D. Agreement termination or cancellation shall be effective as of the date indicated in DHS' notification to the Contractor. The notice shall stipulate any final performance, invoicing or payment requirements.
- E. Upon receipt of a notice of termination or cancellation, the Contractor shall take immediate steps to stop performance and to cancel or reduce subsequent agreement costs.

- F. In the event of early termination or cancellation, the Contractor shall be entitled to compensation for services performed satisfactorily under this agreement and expenses incurred up to the date of cancellation and any non-cancelable obligations incurred in support of this agreement.

4. Dispute Resolution Process

- A. This provision replaces and supersedes Provision 15 of Exhibit D(F).
- B. If the Contractor believes there is a dispute or grievance between Contractor and DHS, both parties shall follow the two-step procedure outlined below.
 - 1.) The Contractor should first discuss the problem informally with the DHS program contract manager. If the problem cannot be resolved at this stage, the Contractor must direct the grievance together with any evidence, in writing, to the program Section Chief. The grievance must state the issues in dispute, the legal authority or other basis for the Contractor's position and the remedy sought. The Section Chief must make a determination on the problem within ten (10) working days after receipt of the written communication from the Contractor. The Section Chief shall respond in writing to the Contractor indicating the decision and reasons therefore. Should the Contractor disagree with the Section Chief's decision, the Contractor may appeal to the second level.
 - 2.) The Contractor must prepare a letter indicating why the Section Chief's decision is unacceptable, attaching to it the Contractor's original statement of the dispute with supporting documents along with a copy of the Section Chief's response. This letter shall be sent to the Division Chief of the division in which the section is organized within ten (10) working days from receipt of the Section Chief's decision. The Division Chief or designee shall meet with the Contractor to review the issues raised. A written decision signed by the Division Chief or designee shall be returned to the Contractor within twenty (20) working days of receipt of the Contractor's letter.

5. Performance Evaluation

- A. This provision replaces and supercedes Provision 23 of Exhibit D(F).

- B. The Contractor's performance under this agreement shall be evaluated at the conclusion of the term of this agreement. The evaluation shall include, but not be limited to:

- 1.) Whether the contracted work or services were completed as specified in the agreement, and reasons for and amount of any cost overruns.
- 2.) Whether the contracted work or services met the quality standards specified in the agreement.
- 3.) Whether the Contractor fulfilled all requirements of the agreement.
- 4.) Factors outside the control of the Contractor, which caused difficulties in contractor performance. Factors outside the control of the Contractor shall not include a Subcontractor's poor performance.

- C. The evaluation of the Contractor shall not be a public record.

6. Progress Reports or Meetings

- A. Contractor shall submit progress reports or attend meetings with state personnel at intervals determined by DHS to determine if the Contractor is on the right track, whether the project is on schedule, provide communication of interim findings, and afford occasions for airing difficulties or special problems encountered so that remedies can be developed quickly.
- B. At the conclusion of this agreement and if applicable, Contractor shall hold a final meeting at which Contractor shall present any findings, conclusions, and recommendations. If required by this agreement, Contractor shall submit a comprehensive final report.

7. Priority Hiring Considerations

- A. Contractor agrees that it shall give priority consideration in filling vacancies in positions funded by this agreement to qualified recipients of aid under Chapter 2 (commencing with Section 11200) of Part 3 of Division 9 of the Welfare and Institutions (W&I) Code, in accordance with Article 3.9 (commencing with Section 11349) of Chapter 2 of Part 3 of Division 9 of the W&I Code.

- B. This provision shall not be construed to do any of the following:
- 1.) Interfere with or create a violation of the terms of valid collective bargaining agreements.
 - 2.) Require the Contractor to hire an unqualified recipient of aid.
 - 3.) Interfere with, or create a violation of, any federal affirmative action obligation of a contractor for hiring disabled veterans or veterans of the Vietnam era.
 - 4.) Interfere with, or create a violation of, the requirements of Section 12990 of the Government Code implementing the State of California's nondiscrimination laws.

8. Allowable Informal Work Plan Changes

- A. The Contractor or the DHS may propose informal changes or revisions to the contract activities, tasks, deliverables and/or performance time frames specified in the Work Plan, provided such changes do not alter the overall goals and basic purpose of the agreement. Informal changes are communicated to DHS on the Contractor's Work Plan.
- B. Informal Work Plan changes may include the substitution of specified activities or tasks; the alteration or substitution of contract deliverables and modifications to anticipated completion/target dates.
- C. Informal Work Plan changes processed hereunder, shall not require a formal agreement amendment, provided the contractor's annual budget does not increase or decrease as a result of the informal Work Plan change.
- D. Unless otherwise stipulated in this agreement, all informal Work Plan changes and revisions are subject to prior written approval by the DHS. DHS approval of informal changes is documented by the DHS contract manager's signature on a modified Work Plan.
- E. In implementing this provision, the DHS may provide a format for the Contractor's use to request informal Work Plan changes. If no format is provided by the DHS, the Contractor may devise its own format for this purpose.

9. The Contractor must adhere to federal statute and regulations governing the federal Medicaid program and found in the federal Social Security Act and the Code of Federal Regulations.

10. Contractor must adhere to all applicable State statute and regulations, including any revisions and/or amendments which apply.
11. The California Department of Health Services, Medi-Cal Operations Division reserves the right to further negotiate with the selected Contractor prior to the execution of the contract.
12. If an application contains methods or approaches, functions, tasks, or activities known by DHS to be ineffective or determined to be unacceptable, DHS reserves the right to require the substitution of comparable items that can be performed at the same or similar cost.
13. The following provisions in Exhibit D(F) do not apply to this contract:
 - A. Use of Disabled Veteran Business Enterprises (DVBE).

14. Conformance with State and Federal Statutes and Regulations

- A. The contract employs Title XIX of the federal Social Security Act (42 USC. § 1396 et seq.) and, accordingly, the Contractor agrees to conform to such requirements and related regulations on the date the contract becomes effective, to include all future amendments to the law, regulation or guidelines, provided:
 - 1.) Changes which would materially affect costs of performance shall only be implemented with written approval of the Contracting Officer pursuant to the contract; and
 - 2.) That no confidential data is to be released without prior, written approval from the Department.
- B. In addition, the Contractor shall comply with the requirements of California and federal law, to include related regulations and published guidelines, to the extent that these authorities contain requirements applicable to Contractor's performance under the contract. These authorities include, without limitation, the California Welfare and Institutions Code, the California Government Code, the California Public Contract Code, the Code of Federal Regulations, Title 2 and Title 22 of the California Code of Regulations, and the Health Insurance Portability and Accountability Act (HIPAA) of 1996 (Public Law 104-191, dated August 21, 1996).

15. Health Insurance Portability and Accountability Act (HIPAA)

While performing the requirements set forth in the Scope of Work, Exhibit A, of this RFA, the Contractor and Subcontractor(s) shall be responsible for complying

with the Health Insurance Portability and Accountability Act (HIPAA) of 1996 (Public Law 104-191, dated August 21, 1996), and any related regulations. The current implementation dates may be found at the internet Web site at <http://aspe.os.dhhs.gov/admnsimp>.

16. Conflict Of Interest, Current And Former State Employees

A. Current State Officers and Employees

- 1.) The Contractor shall not utilize in the performance of the contract any State officer or employee in the State civil service or other appointed State official unless the employment, activity, or enterprise is required as a condition of the officer or employee's regular State employment. An employee in the State civil service is defined to be any person legally holding a permanent or intermittent position in the State civil service.
- 2.) If any State officer or employee is utilized or employed in the performance of the contract, Contractor shall first obtain written verification from the State that the employment, activity, or enterprise is required as a condition of the officer's, employee's, or official's regular State employment and shall keep said verification on file for three years after the termination of the contract.
- 3.) The Contractor may not accept occasional work from any currently employed State officer, employee, or official.
- 4.) If the Contractor accepts volunteer work from any currently employed State officer, employee, or official, Contractor may not reimburse, or otherwise pay or compensate, such person for expenses incurred, including, without limitation, travel expenses, per diem, or other compensation in connection with volunteer work for the Contractor.
- 5.) The Contractor shall not employ any State officers, employees, or officials who are on paid or unpaid leave of absence from their regular State employment.
- 6.) The Contractor or anyone having a financial interest in the contract may not become a State officer, employee, or official during the term of the contract. The Contractor shall notify each of its employees, and any other person having a financial interest in the contract that it is

unlawful under Public Contract Code, Section 10410 for such person to become a State officer, employee, or official during the term of the contract unless any relationship with the Contractor giving rise to a financial interest, as an employee or otherwise, is first terminated.

- 7.) Occasional or one-time reimbursement of a State employee's travel expenses is not acceptable.

B. Former State Officers and Employees

- 1.) The Contractor shall not utilize in the performance of the contract any formerly employed person of any State agency or department that was employed under the State civil service, or otherwise appointed to serve in the State government, if that person was engaged in any negotiations, transactions, planning, arrangement, or any part of the decision-making process relevant to the contract while employed in any capacity by any State agency or department. This prohibition shall apply for a two-year period beginning on the date the person left State employment.
- 2.) The Contractor shall not utilize a former employee of the Department of Health Services (DHS) if that former employee was employed in a policy-making position in the same general subject area as the proposed contract within the 12-month period prior to the former employee's leaving DHS employment. This prohibition shall apply for a period of twelve (12) months following the date the former employee's employment with the Department of Health Services terminated.

C. Failure to Comply with paragraphs a. or b. above

If the Contractor violates any provision of paragraphs a. or b. above, such action by the Contractor shall render the contract void, unless the violation is technical or nonsubstantive.

Exhibit F Contractor's Release

Instructions to Contractor:

With final invoice(s) submit one (1) original and two (2) copies. The original must bear the original signature of a person authorized to bind the Contractor. The additional copies may bear photocopied signatures.

Submission of Final Invoice

Pursuant to **contract number** _____ entered into between the State of California Department of Health Services (DHS) and the Contractor (identified below), the Contractor does acknowledge that final payment has been requested via **invoice number(s)** _____, in the **amount(s) of \$** _____ and **dated** _____.
If necessary, enter "See Attached" in the appropriate blocks and attach a list of invoice numbers, dollar amounts and invoice dates.

Release of all Obligations

By signing this form, and upon receipt of the amount specified in the invoice number(s) referenced above, the Contractor does hereby release and discharge the State, its officers, agents and employees of and from any and all liabilities, obligations, claims, and demands whatsoever arising from the above referenced contract.

Repayments Due to Audit Exceptions / Record Retention

By signing this form, Contractor acknowledges that expenses authorized for reimbursement does not guarantee final allowability of said expenses. Contractor agrees that the amount of any sustained audit exceptions resulting from any subsequent audit made after final payment, will be refunded to the State.

All expense and accounting records related to the above referenced contract must be maintained for audit purposes for no less than three years beyond the date of final payment, unless a longer term is stated in said contract.

Recycled Product Use Certification

By signing this form, Contractor certifies under penalty of perjury that a percentage (0% to 100%) of the materials, goods, supplies or products offered or used in the performance of the above referenced contract meets or exceeds the minimum percentage of recycled material, as defined in Public Contract Code Sections 12161 and 12200.

Reminder to Return State Equipment/Property (If Applicable)

(Applies only if equipment was provided by DHS or purchased with or reimbursed by contract funds)

Unless DHS has approved the continued use and possession of State equipment (as defined in the above referenced contract) for use in connection with another DHS agreement, Contractor agrees to promptly initiate arrangements to account for and return said equipment to DHS, at DHS's expense, if said equipment has not passed its useful life expectancy as defined in the above referenced contract.

Patents / Other Issues

By signing this form, Contractor further agrees, in connection with patent matters and with any claims that are not specifically released as set forth above, that it will comply with all of the provisions contained in the above referenced contract, including, but not limited to, those provisions relating to notification to the State and related to the defense or prosecution of litigation.

Contractor's Legal Name (As on contract): _____

Signature of Contractor or Official Designee: _____

Date: _____

Printed Name/Title of Person Signing: _____

DHS Distribution: Accounting (Original) Program CMU contract file

Travel Reimbursement Information
Effective October 1, 2001

1. The following rate policy is to be applied for reimbursing the travel expenses of persons under contract.
 - a. Reimbursement shall be at the rates established for nonrepresented/excluded state employees.
 - b. Short Term Travel is defined as a 24-hour period, and less than 31 consecutive days, and is at least 50 miles from the main office, headquarters or primary residence. Starting time is whenever a contract employee leaves his or her home or headquarters. "Headquarters" is defined as the place where the contracted personnel spends the largest portion of their working time and returns to upon the completion of special assignments.
 - c. Contractors on travel status for more than one 24-hour period and less than 31 consecutive days may claim a fractional part of a period of more than 24 hours. Consult the chart appearing on page 2 of this exhibit to determine the reimbursement allowance. All lodging must be receipted. If contractor does not present receipts, lodging will not be reimbursed.

(1) Lodging (with receipts):

Travel Location / Area	Reimbursement Rate
Statewide (excluding the counties identified below)	\$ 84.00 plus tax
Counties of Los Angeles and San Diego	\$110.00 plus tax
<u>Counties of Alameda, San Francisco, San Mateo, and Santa Clara.</u>	<u>\$140.00 plus tax</u>

Reimbursement for actual lodging expenses exceeding the above amounts may be allowed with the advance written approval of the Deputy Director of the Department of Health Service or his or her designee. Receipts are required.

- (2) Meal/Supplemental Expenses (with or without receipts): With receipts, the contractor will be reimbursed actual amounts spent up to the maximum.

Meal / Expense	Reimbursement Rate
Breakfast	\$ 6.00
Lunch	\$ 10.00
Dinner	\$ 18.00
Incidental	\$ 6.00

- d. Out-of-state travel may only be reimbursed if such travel has been stipulated in the contract and has been approved in advance by the program with which the contract is held. For out-of-state travel, contractors may be reimbursed actual lodging expenses, supported by a receipt, and may be reimbursed for meals and supplemental expenses for each 24-hour period computed at the rates listed in c. (2) above. For all out-of-state travel, contractors must have prior Departmental approval and a budgeted trip authority.
- e. In computing allowances for continuous periods of travel of less than 24 hours, consult the chart appearing on page 2 of this bulletin.
- f. No meal or lodging expenses will be reimbursed for any period of travel that occurs within normal working hours, unless expenses are incurred at least 50 miles from headquarters.

2. If any of the reimbursement rates stated herein are changed by the Department of Personnel Administration, no formal contract amendment will be required to incorporate the new rates. However, DHS shall inform the contractor, in writing, of the revised travel reimbursement rates.
3. For transportation expenses, the contractor must retain receipts for parking; taxi, airline, bus, or rail tickets; car rental; or any other travel receipts pertaining to each trip for attachment to an invoice as substantiation for reimbursement. Reimbursement may be requested for commercial carrier fares; private car mileage; parking fees; bridge tolls; taxi, bus, or streetcar fares; and auto rental fees when substantiated by a receipt.
4. **Note on use of autos:** If a contractor uses his or her car for transportation, the rate of pay will be **34 cents** maximum per mile. If the contractor is a person with a disability who must operate a motor vehicle on official state business and who can operate only specially equipped or modified vehicles may claim a rate of **37 cents** per mile. If a contractor uses his or her car "in lieu of" air fair, the air coach fair will be the maximum paid by the State. The contractor must provide a cost comparison upon request by the state. Gasoline and routine automobile repair expenses are not reimbursable.
5. The contractor is required to furnish details surrounding each period of travel. Travel detail may include, but not be limited to: purpose of travel, departure and return times, destination points, miles driven, mode of transportation, etc.
6. Contractors are to consult with the program with which the contract is held to obtain specific invoicing procedures.

Travel Reimbursement Guide

Length of travel period	This condition exists...	Allowable Meal(s)
Less than 24 hours	Travel begins at 6:00 a.m. or earlier and continues until 9:00 a.m. or later.	Breakfast
Less than 24 hours	<ul style="list-style-type: none"> Travel period ends at least one hour after the regularly scheduled workday ends, or Travel period begins prior to or at 5:00 p.m. and continues beyond 7:00 p.m. 	Dinner
24 hours	Travel period is a full 24-hour period determined by the time that the travel period begins and ends.	Breakfast, lunch, and dinner
Last fractional part of more than 24 hours	Travel period is more than 24 hours and traveler returns at or after 8:00 a.m.	Breakfast
	Travel period is more than 24 hours and traveler returns at or after 2:00 p.m.	Lunch
	Travel period is more than 24 hours and traveler returns at or after 7:00 p.m.	Dinner